GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:913
ANSWERED ON:28.04.2016
Crisis in Jute Industry
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Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is aware of the occurrence of serious crisis in the Jute Industry;

(b) if so, the details thereof and the steps taken by the Government so far to address the crisis; and

(c) the steps being taken by the Government to help those workers who lost their jobs and livelihood due to the closure of a number of jute mills in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE)
IN THE MINISTRY OF TEXTILES
(SHRI SANTOSH KUMAR GANGWAR)

(a) to (b): As per the estimate of the Jute Advisory Board (JAB), the estimated crop size for 2015-16 jute year was 80 lakh bales. However, the production of raw jute has been affected due to decline in the area of cultivation and by the early onset of rains and later due to the floods, which affected jute growing areas in South Bengal and Assam.

The following steps have been taken by the Government to resolve the raw jute crisis, through its Office of Jute Commissioner, Kolkata:

(i) It has been made mandatory for all raw jute traders to register their units.
(ii) All jute mills have been directed to submit raw jute stock position.
(iii) Orders have been issued under clause 5(A)(1) (iii) of the Jute and Jute Textiles Control (Amendment) Order, 2005; directing all traders or dealers or agencies that not to stock more than 1,700 quintals of raw jute on own account and/ or on account of third parties. This was later reduced to 900 quintals w.e.f. 8th March, 2016.
(iv) Jute mills have also been directed not to hold more than four weeks' consumption requirement of raw jute.
(v) The officials of Enforcement Branch of Govt. of West Bengal have been empowered under Section 7 of the Jute & Jute Textiles Control Order, 2000 to inspect, search and seize raw jute beyond the specified limit.
(vi) Ceiling limits on the raw jute price for the current year has been imposed till June, 2016.

The Government of Bangladesh has been persuaded to lift the ban on export of raw jute, to enable imports by Indian Industry and diminish shortage of availability of raw jute.

Further, the Government, through the Department of Agriculture, Cooperation & Farmers Welfare, is also implementing jute development programme under the National Food Security Mission- Commercial Crops (NFSM-CC) for enhancing the production and productivity w.e.f. 2014-15 in 9 States including West Bengal.

(c) There is no report of loss of jobs of workers in the jute sector. However, in order to support the jute industry, the Government has been taking regular steps to protect the jute workers and jute farmers. The steps taken include - (i) under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 it is mandated that 90% of the total food grain production and 20% of the sugar production should be packed in jute bags so that sufficient orders are available for the jute industry; (ii) All State Governments have been requested to promote the usage of jute geo-textiles for slope stabilization, formation settlement and reservoir management; (iii) jute diversification is being promoted and a scheme for setting up of Common Facility Centres (CFCs) to support Women Self Help Groups for the manufacture of jute diversified products has been launched on 1st September 2015; and (iv) the modernization of jute mills is supported by the National Jute Board under the Incentive Scheme for Acquisition of Plant and Machinery (ISAPM).

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